

TALCB Bulletin

TALCB was created by an act of the Texas Legislature in 1991 to license, certify and regulate real estate appraisers in Texas under state and federal laws. In 2011, TALCB's jurisdiction was expanded to register and regulate appraisal management companies.



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Compliance and Customer Service: What to Watch Out For

In a fast-paced industry with closing deadlines and clients who need valuation information urgently, appraisers often face challenging deadlines and time constraints. In this environment, customer service and timely communication are essential best business practices. In addition, certain of these situations may also implicate regulatory compliance. Keeping in mind these legal obligations when meeting clients' needs will help you steer clear of possible complaints from clients and potential disciplinary action from the Board.

Where Does Customer Service and Regulatory Compliance Intersect?

The Board has several rules that address appraisers' obligations to their clients when soliciting business or after accepting an assignment. Engaging in this type of conduct not only runs afoul of best customer service and communication practices, it is a basis for disciplinary action:

- Accepting payment for appraiser services but not delivering the service as agreed (22 TEX. ADMIN. CODE § 153.20(a)(8))
- Not refunding payment after failing to deliver agreed upon services (22 TEX. ADMIN. CODE § 153.20(a)(9))
- Engaging in misleading or false conduct (knowingly or willfully) when advertising or soliciting clients (22 TEX. ADMIN. CODE § 153.20(a)(18))

In addition to being regulatory violations, these actions may expose you to potential civil liability and litigation.

What are the Potential Consequences of Non-Compliance?

Of course the actual consequences depend on the specific facts of a particular case. In general, the law provides for varied disciplinary options, including:

- administrative penalties (up to \$5,000 in certain cases)
- requiring implementation of preventative policies and procedures
- remedial education or mentorship
- and in severe cases, probation, and even suspension or revocation of a license

Also, do not forget the time, resources and expense of simply having to respond to a complaint filed by an upset client. Even if ultimately dismissed, responding to a complaint matter takes time, may involve retaining legal counsel to assist you, and may involve follow-up communications or meeting with Board staff who are investigating the complaint. An ounce of prevention up front will help insulate you from these distractions which further drain your already limited time and resources. You'd much rather be out appraising than responding to a complaint.

Compliance and Customer Service Con't

So What Can I do To Avoid Problems?

So what can you do to avoid complaints in this area? Several simple office practices can help minimize problems:

- Be aware of your work load before accepting assignments -- Do you have the capacity to meet the client's expectations and deadline? Maybe you need to consider hiring additional staff.
- Do not take assignments you cannot complete – If you know you cannot meet a client's needs, let them know that up front before taking the assignment. Perhaps they have some flexibility with their deadline. You might be able to complete the work if more time is available.
- Keep Track of assignment deadlines and communication obligations – Keep an office or electronic calendar. Set your calendar to give you alerts in advance of important deadlines. Create a reminder system and develop an office policy and procedure for ensuring prompt client communication.
- Communicate frequently and effectively with clients – Keep your clients updated on your progress with assignments. If unusual circumstances or delays arise, notify them immediately. In addition, be thoughtful of how you communicate (language, tone etc.). Well worded correspondence will help prevent misunderstandings and upset clients. Frequent and well written communication will be appreciated by

your client and gives you a written record that you can refer to later.

- Recognize when you need to decline an assignment or withdraw from one – Nobody likes to turn down work, but sometimes it's necessary. Recognize when you need to do that. It'll save you added frustration and avoid disappointing client's with missed deadlines or rushed work product. This also helps ensure quality work product is delivered to the client and not a rushed report that might contain errors, oversights or other problems.
- Don't avoid client e-mails and phone calls – this will only make the problem grow. Many times complaints are filed simply because the appraiser was avoiding the client and not communicating.
- If you received payment and must withdraw from the assignment, return any unearned funds promptly – don't wait for the client to ask for the refund. Take the initiative to return any unearned fees as soon as you became aware you need to withdraw from an assignment.

Taking these simple steps to integrate a business process that ensures client communication and customer service will help you avoid complaints and keep clients returning for your services.

IMPORTANT DATES TO REMEMBER

TALCB AMC Advisory Committee Meeting—June 15—Via Teleconference

TALCB Board Meeting—August 19

Check the TALCB website regularly for postings of all of our upcoming meetings.

From the Chair...

The Board met for its regular quarterly meeting on May 13 at the agency HQ in Austin. Although the agenda was short by comparison to many past meetings, the work that we accomplished was just as important. We heard reports from our Executive Committee, Budget Committee, and the AQB Working Group that we appointed last year, as well as from the Commissioner and each Division Director. Since we last met in February, much has occurred and we were pleased to hear about all of the progress.

Three members of agency leadership attended the AARO meeting in Phoenix in April and reported that Texas remains at the forefront of appraiser and AMC regulatory agencies nationwide. With a careful focus on influencing regulatory developments at the federal level, the Board manages to stay ahead of many of its peers in well-considered responses to the same as they arise. By working closely with the professional associations of our license holders, we routinely anticipate market developments and are able to optimize both effectiveness and efficiency. Thanks to our team for cultivating this approach. One major manifestation of this orientation is the flawless inspection report we received from the Appraisal Subcommittee (ASC) after its audit visit in February. Congratulations to the entire agency!

March saw us engaged in nine strategic planning listening tour events across Texas. Our Commissioner and several of our Board members facilitated events hosted in various locations to hear feedback from hundreds of participants on a variety of topics aimed at making the agency more effective by addressing current issues of concern and trending developments. The Commissioner offered a progress report on the topics of greatest concern that will be included in our 5-Year Strategic Plan which is due by June 24th. The Executive Committee will hold a special meeting on June 20th to finalize the plan before submission.

The Board proposed rules to implement the recommendations of the AQB Working Group to institute fingerprint-based criminal history checks for our license holders to meet the AQB requirements which will become effective January 1, 2017. We thanked Ellen

Sameth of the Office of the Attorney General for many years of service to the agency, and while we will not require her regular attendance at future meetings, we know she is still supporting us in any litigation matters. We appreciate her dedication.



Chair, Jamie Wickliffe

We also bid farewell to Melissa Huerta, who has served as the agency's CFO for the past three years. Melissa will retire at the end of May and a search is underway to recruit her replacement. Melissa has been a great contributor to our financial stability since we became an SDSI agency and we will miss her.

The Commission recently performed the Executive Director's annual performance review. We amended our MOU with the Commission to memorialize the Board's role in this process. We were very pleased with Mr. Oldmixon's performance and concurred with the decision to grant him a 4% raise effective in August. We appreciate his leadership and expressed this directly. Thanks Doug!

We heard progress reports on the development of next year's budget and the content of formal comments submitted to AQB regarding substitute experience requirements for appraisers. Longer range projects including the planned joint SFR Issues Summit and the future facilities master plan are topics that will be addressed at our next regular meeting in August. We invite you to attend and participate.

Rules and Forms Actions at the May 13th Board Meeting

The Board took the following actions regarding rules and forms at its meeting on May 13, 2016. You may review the full text of all rules actions on the [Rules and Laws section](#) of the TALCB website. The revised forms are available on the [Forms section](#) of the TALCB website.

PROPOSED RULES

The Board proposed a new rule and amendments to the following rules at its meeting on May 13, 2016. These proposed amendments will be on the agenda for adoption by the Board at the August 19, 2016 meeting. You may review the full text of the proposed amendments on the [Rules and Laws section](#) of the TALCB website. Written comments on the proposed amendments may be sent to general.counsel@talcb.texas.gov and must be received before 5:00pm on Friday, July 29, 2016 to be included in the materials for the August meeting. After that date, comments must be made in person at the meeting.

22 TAC §153.5, Fees

The proposed amendments add a reference to the fee for voluntary appraiser trainee experience reviews previously adopted by the Board in 22 TAC §153.22 at its meeting on February 19, 2016. The amendments also propose a new fee for fingerprint-based criminal history checks or other related services as recommended by the Working Group for AQB Criminal History Check Criteria.

22 TAC §153.9, Applications

The proposed amendments implement fingerprint-based criminal history checks for license applicants.

22 TAC §153.12, Criminal History Checks

As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed rule implements fingerprint-based criminal history checks to comply with criteria adopted by the Appraiser Qualifications Board (AQB).

22 TAC §153.15, Experience Required for Licensing

The proposed amendments clarify the criteria required for awarding experience credit for applicants and license holders. The proposed amendments also remove redundant language and reorganize this section to improve readability.

22 TAC §153.16, License Reinstatement

The proposed amendments implement fingerprint-based criminal history checks for applicants who apply for license reinstatement.

22 TAC §153.17, Renewal or Extension of License

The proposed amendments implement fingerprint-based criminal history checks for license holders when renewing their license.

22 TAC §153.23, Inactive Status

The proposed amendments implement fingerprint-based criminal history checks for license holders with an inactive license and license holders who seek to renew an expired license on inactive status.

22 TAC §153.25, Temporary Out-of-State Appraiser License

The proposed amendments clarify the requirements an applicant must satisfy when applying for a temporary out-of-state license.

22 TAC §153.27, License by Reciprocity

The proposed amendments implement fingerprint-based criminal history checks for applicants who apply for or renew a license by reciprocity.

FORMS

The Board took no action regarding forms at its meeting on May 13, 2016.

TALCB Enforcement Actions

The Texas Appraiser Licensing and Certification Board publishes their enforcement actions regularly on the new TALCB website. To read the reports please go to the [TALCB website and click](#) on, public and disciplinary actions.